

<i>Institution</i>	<i>Amount (Rs. Crores)</i>			<i>Rate of Interest</i>
	<i>1988-89</i>	<i>1989-90</i>	<i>1990-91</i>	
2. Asian Development Bank	20.28	36.23	325.17	6.5 per- cent
3. Organisation of Petroleum	28.97	6.92	9.84	Service charge between 0.5% to 0.75%.

(b) Does not arise

Evasion of Excise Duty by big Industries

3751 SHRI MOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that some of the big industries manufacturing consumer goods have set up units in the small scale sector also for getting the supply of manufactured goods at concessional rates of Central excise duty fixed for the small scale sector; and

(b) if so, the steps taken or proposed to be taken by the Government to check evasion of duty in such an illegal manner?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) As per the provisions of Notfn. No. 175/86-CE dated 1.3.86 vide which duty concessions have been granted to small scale industries, it is permissible to manufacture excisable goods in the small scale sector and to supply them to the big companies who market the same. The concession continues to be available as long as the transaction between the small scale manufactures and big industries are on principal to principal basis. Where the

goods are manufactured by the small scale manufacturer on job work basis, the concession is available if the relationship between the raw material supplier and the job worker is one of principal to principal. However, if from the facts of the case and the terms of agreement between the raw material supplier and the job worker, it can be established that the job worker is a dummy unit or is just a hired labour of the raw material supplier, then the raw material supplier would be the principal manufacturer and the benefit of small scale exemption to the job worker will not be available.

(b) Whether any case of misuse of the concession granted to small scale industries is noticed, appropriate remedial action to recover duty and impose penalty is taken. Anti-evasion machinery has been asked to step up their efforts to check evasion of duty inter alia by misuse of the concessions available to small scale industries.

Imbalance in exports

3752. SHRI MOHAN SINGH: Will the Minister of COMMERCE be pleased to state:

(a) the extent to which exports registered increase during the months of July, August, September and October, 1991 both in terms of rupee and dollars after the devaluation of